GOVERNMENT OF INDIA
TEXTILES
LOK SABHA

UNSTARRED QUESTION NO:837
ANSWERED ON:21.07.2016
Closure of Textile Mills
Gaikwad Prof. Ravindra Vishwanath;Shetti Shri Raju alias Devappa Anna

Will the Minister of TEXTILES be pleased to state:

(a) the number of textile/spinning mills including cotton/man made fiber/ powerloom which were closed/declared sick during the last one year along with the reasons therefor, State/UT-wise;

(b) whether there is any proposal to revive the said closed mills and if so, the details thereof along with the number of closed mills including financial technological assistance, if any, provided by the Government to the closed mills and if not, the reasons therefor;

(c) the steps taken by the Government for the rehabilitation/employment/pension to the employees/workers rendered unemployed due to closure of textile/ spinning mills in the country along with the funds allocated for the purpose during the said period, State-wise;

(d) whether the Government proposes to establish textile/spinning mills cluster in the country and if so, the details thereof; and

(e) the number of textile/spinning mills operating in the country at present, State/ UT-wise?

Answer

MINISTER OF STATE FOR TEXTILES
(SHRI AJAY TAMTA)

(a): During the last one year (i.e., from June 2015 to May 2016), 17 cotton / man- made fibre textile mills (Non-SSI) were closed in the country. The details are at Annexure-I. The major reported reasons for closure include financial problems due to inadequate working capital, insufficient cash flow, increase in cost of production, squeezed profit margin, stressed assets, etc.

(b): Ministry has no scheme for providing finance and technical support for revival of closed mills. However, the Board for Industrial & Financial Reconstruction (BIFR) has been set up by the Government under Sick Industrial Companies (Special Provisions) Act, with a view to arranging the timely detection of sick and potentially sick companies (including textile mills) and for the speedy determination of preventive, ameliorative and remedial measures which need to be taken in respect of such companies including closed mills.

(c): In order to give relief to the workers rendered jobless due to permanent closure of Non-SSI Textile Mills in private sector, the Textile Worker's Rehabilitation Fund Scheme (TWRFS) was introduced by Government of India with effect from 15.9.1986. The objective of TWRFS is to give interim relief to the workers rendered jobless for a period of three years on a tapering basis, that is, wage equivalent to75% in the first year, 50% in the second year and 25% in the third year. The mills closed on or after 5.6.1985 are covered under TWRFS. The details of state-wise funds released under the scheme are enclosed at Annexure- II.

(d): Central Government generally does not set up / establish new textile units in the country. The role of the Central Government is to ensure a conducive policy environment and to create enabling conditions for the industry and private entrepreneurs to set up units. Government is implementing several Schemes such as the Scheme for Integrated Textile Parks (SITP), Integrated Processing Development Scheme (IPDS) for Textiles, Technology Upgradation Fund Scheme (TUFS) and North Eastern Region Textile Promotion Scheme (NERTPS), to support the setting up of textile units in the private sector.

(e): At present, there are 1420 cotton/ man- made fibre textile mills (Non-SSI), including mills of National Textile Corporation, operating in the country. The state wise details are given in Annexure- III.

Annexure-I
State Wise Number Of Cotton Man-Made Fibre Textile Mills (Non-SSSI) Closed Mills during last one year (June-15 To May-16)

Sr. No	State/U.T.	No. of Units
1	Andhra Pradesh	3
2	Telangana	1
3	Haryana	1
4	Karnataka	3
5	Maharashtra	1
6	Rajasthan	1
7	Tamil Nadu	6

8 Uttar Pradesh 1
Total 17

Annexure- II
Payment of relief under Textile Workers Rehabilitation Fund Scheme
since inception up to a 30th June 2016.

State	No. of Mills paid relief upto June 2016	No. of workers paid upto June 2016 under TWRFS	Amount disbursed upto June 2016 (Rs. in Lakhs)
Gujarat	43	63718	15995.10
Maharashtra	6	8086	2395.07
Madhya Pradesh	5	19034	5308.38
Tamil Nadu	7	5886	1179.18
Kerala	1	437	247.00
Karnataka	11	6172	2241.29
Andhra Pradesh	11	3305	1329
Telangana	1	147	52.48
Delhi	1	5170	1193
West Bengal	3	2042	533.49
Punjab	5	3141	1204.25
Uttar Pradesh	1	558	119.43
TOTAL	95	117696	31797.67

Annexure-III

State wise Number of Cotton / Man-Made Fibre Textile Mills (Non-SSI) including NTC mills functioning as on 31.05.2016 in the country

Sr. No.	State/ UT	No. of Mills
1	Andhra Pradesh	113
2	Goa	1
3	Gujarat	48
4	Haryana	30
5	Himachal Pradesh	14
6	Jammu & Kashmir	1
7	Jharkhand	1
8	Karnataka	19
9	Kerala	21
10	Madhya Pradesh	42
11	Maharashtra	144
12	Orissa	3
13	Punjab	95
14	Rajasthan	41
15	Tamil Nadu	762
16	Telangana	30
17	Uttar Pradesh	15
18	Uttaranchal	5
19	West Bengal	15
20	Dadra Nagar Haveli	11
21	Pondicherry	9
T o t a l		1420